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Voluntary _ Public

Date: 01/19/2012

GAIN Report Number: CA12003

Canada

Post: Ottawa

This Week in Canadian Agriculture - Issue 3

Report Categories:

Agriculture in the News

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Report Highlights:

CFIA Consults on Regulatory Amendments for Wine Labeling * Reminder: November 1, 2012 Deadline for eManifest Requirements * Canadian Beef Production Promoted in All-Access Moms Tour * ConAgra to Buy Del Monte Canada Fruit and Tomato Businesses * Survey Reveals Canadian Dairy Farmers Are Most Optimistic

This Week in Canadian Agriculture is a review of Canadian agricultural industry developments of interest to the U.S. agricultural community. The issues summarized in this report cover a wide range of subject matter obtained from Canadian press reports, government press releases, and host country agricultural officials and representatives.

Disclaimer: Any press article summaries in this report are included to bring U.S. readership closer to the pulse of Canadian developments in agriculture. In no way do the views and opinions of these sources reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

CFIA Consults on Regulatory Amendments for Wine Labeling

The Canadian Food Inspection Agency (CFIA) is seeking input from stakeholders and the Canadian public on regulatory amendments related to wine labeling. The <u>consultation</u> is available on the CFIA website and open for comments until **February 14, 2012**. The regulatory amendments will allow wine manufacturers to display mandatory labeling information on any part of the surface of the wine container, excluding its top and bottom, provided that it can all be seen without having to turn the container. The amendments will help Canada harmonize its wine labeling rules with other wine producing trading partners and wine exporters will be able to sell wine to trade partners without having to redesign their labels for each individual market. As well, the CFIA is proposing to develop an internationally recognized standard for icewine which will help Canadian consumers by preventing the sale of fraudulent icewine. This standard would require icewine to be made only from grapes naturally frozen on the vine. Other proposed amendments include: adding the definition of "wine" in the Consumer Packaging and Labelling Regulations (CPLR); the use of alternate abbreviations for alcohol by volume in the Food and Drug Regulations; the use of abbreviations for milliliters and liters in CPLR; and, new rules on how to declare net quantity in CPLR.

Reminder: November 1, 2012 Deadline for eManifest Requirements

According to Canada Border Services Agency (CBSA), on **November 1, 2012**, highway carriers that do not comply with the requirement to electronically transmit cargo and conveyance data ahead of arrival at the border will be denied entry and will face zero-rated (non-monetary) penalties. Subsequently, on **May 1, 2013**, highway carriers that do not comply with the requirements will be denied entry to Canada and face monetary penalties. When fully implemented, eManifest will be a virtually paperless process that starts before shipments reach the border and will improve two-way communications between trade and the CBSA. "By rigorously performing risk assessments on advance commercial information, the CBSA's border services officers will be better able to ensure that shipments identified as being of unknown and high-risk are examined and low-risk, legitimate goods cross the border more efficiently," said Cathy Munroe, Vice-President, Programs Branch. CBSA also made electronic data transmission requirements easier to achieve with the launch of its

internet-based eManifest Portal. The eManifest Portal allows businesses to electronically submit their cargo and conveyance data to the CBSA via its Web site. For more information please follow this link:

http://www.cbsa-asfc.gc.ca/prog/manif/portal-portail-eng.html

Canadian Beef Production Promoted in All-Access Moms Tour

A new series of McDonald's commercials recently aired on Canadian television channels showing a group of mothers visiting farms and processing facilities that supply the fast food company with some of the products they serve. It is all part of McDonald's Canada's strategy to help consumers receive factual information regarding the production of McDonald's food. The All-Access Moms Program brought together blogging moms and CityLine Parenting Expert, Nanny Robina who all visited beef and potato farms and processing facilities, as well as a chicken processing facility during the 2011 tour. As the largest purchaser of ground beef in the Canadian restaurant industry, beef production figured prominently in the All-Access Moms Program, including a tour at the Cargill Meats Canada beef patty processing facility.

ConAgra to Buy Del Monte Canada Fruit and Tomato Businesses

According to a news article, the U.S. agri-food company ConAgra Foods has signed a deal to take over the packaged fruit, fruit snack and vegetable businesses of Del Monte Canada. The deal also includes Toronto-based Del Monte's Aylmer brand line of canned tomato products, which date back to 1903. Del Monte's other product lines, including fresh produce and juices, will remain under separate ownership. The deal also includes ConAgra Del Monte's headquarters in Toronto and a Del Monte manufacturing plant at Dresden, Ontario. Del Monte Canada has 190 employees and revenues of approximately \$150 million in 2011. ConAgra Foods Canada currently has over 300 employees at three locations, including its Canadian headquarters in Mississauga, Ontario. Popular ConAgra Foods consumer brands include *Healthy Choice, Orville Redenbacher's, Hunt's, Snack Pack, Chef Boyardee, PAM, POGO, VH*, and others. The deal remains subject to the satisfaction of closing conditions and any applicable regulatory reviews.

Survey Reveals Canadian Dairy Farmers Are Most Optimistic

Almost six in 10 farmers nationwide plan to expand or diversify their farming operations in the next five years, according to a new survey by Canada's federal agriculture lender, Farm Credit Canada, which released results from a national survey of its Vision panel. Results show 27 percent of producers plan expansion, 11 percent plan to diversify and 20 percent plan to both expand and diversify. Another 27 percent plan no changes and 15 percent plan to either downsize or quit farming. The survey, conducted last fall, found farmers' and agribusiness owners' optimism to be at an all-time high since it began its Vision panel surveys in 2007, with 80 percent now expecting their farm or business to be better off in five years. Another 11 percent expect no change and nine percent expect their operations to be worse off. Among various agriculture sectors, optimism runs highest in the dairy industry at 84 percent, followed by crops at 82 percent, and poultry and horticulture both at 81 percent. Lowest optimism was registered in the hog sector at 75 percent. Geographically, producers in Saskatchewan are more likely to be optimistic about the future (82 percent), followed by Ontario (81 percent) and Alberta (80 percent). Lowest optimism was recorded in the four Atlantic Provinces (74 percent). Full results of the survey can be found here: http://www.fccvision.ca/Articles/46

Exchange Rate: Noon rate, January 19, 2012 (Bank of Canada): U.S. Dollar = C\$1.0095

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